

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7228

BILL NUMBER: HB 1383

DATE PREPARED: Jan 9, 2002

BILL AMENDED:

SUBJECT: Residential Sewage Disposal Systems.

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**FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL**

IMPACT: Local

Summary of Legislation: This bill authorizes a local health department to allow a failed residential sewage disposal system to be replaced with an offsite discharging system.

Effective Date: April 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: This bill would prohibit the State Department of Health from adopting a rule that would prohibit a local health department from allowing the replacement of a failed residential sewage disposal system with an offsite discharging system that meets certain conditions. The bill requires that a local ordinance be enacted that establishes an offsite discharging system monitoring, operation, and maintenance program. The local health department is required to determine the most appropriate system for the residential property. The determination is to include the local health department's assessment of the offsite discharging system's maintenance requirements and the discharge quality.

Background: Currently, rules for the State Department of Health (SDOH) and the Department of Environmental Management (IDEM) prohibit offsite discharging systems for residential properties. The DOH rule, updated in 1990, sets minimum statewide criteria for construction, location, and sizing of residential onsite sewage disposal systems based on the estimated wastewater flow and type of soil available to absorb water. This rule requires the local health departments to issue permits for onsite sewage disposal in accordance with its minimum requirements.

The SDOH issues permits for any facility not defined as a one- or two-family dwelling. The SDOH reviews commercial permits due to the more complicated engineering requirements of the larger systems. Most local

health departments in the state do not have the expertise to review the more complex requirements of larger onsite systems. Four or five counties have no septic system permit ordinances and rely solely on the state rules for the residential sewage disposal program in the county.

SDOH reports that the state of Illinois allows for the installation of residential offsite discharging systems. The monitoring of the systems' maintenance and quality of effluent is reported to be a problem as is the discharge of untreated sewage during periods of electrical power failures.

Explanation of Local Revenues: This bill requires that a required local offsite discharging system ordinance include the assessment of a reasonable fee to cover the cost of the county program.

State Agencies Affected: Indiana State Department of Health; Department of Environmental Management.

Local Agencies Affected: Local health departments.

Information Sources: Marilyn Cage, Legislative Liaison for the Department of Health, (317) 233-2170; Howard Cundiff, Acting Director, Sanitary Engineering, State Department of Health, (317) 233-7182.